



FEMA

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Disaster News

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SBA URGES APPLICATION RETURN DELAYED RETURN MAY SLOW OTHER DISASTER ASSISTANCE

East Lansing, MI– Many Michigan victims of the severe weather that occurred from May 20-24 have called the Federal Emergency Management Agency (FEMA) at **1-800-621-FEMA (3362)** to register for disaster assistance and, afterwards, received a loan application from the U.S. Small Business Administration (SBA). Recovery officials are urging everyone who has received such an application to take time to fill it out and return it promptly.

“SBA disaster loans are the primary source of long-term recovery assistance. The loan application provides necessary information for determining the appropriate assistance for each applicant. If the SBA is unable to approve a loan, the applicant may be automatically referred to other disaster assistance programs,” said Marianne C. Jackson, federal coordinating officer for the disaster recovery effort. “You can receive help completing the SBA loan application at any Disaster Recovery Center,” added Jackson. For more information, call the **SBA Helpline at 1-800-359-2227** or visit the SBA Website at www.SBA.gov/disaster.

“We are urging anyone who sustained losses because of the May storms and flooding to apply for assistance and mail in the completed SBA loan application as soon as possible,” said F/Lt. Ralph J. Hobrat, state coordinating officer of the Michigan State Police Emergency Management Division (MSP/EMD). While FEMA housing assistance is not subject to SBA loan requirements, filling out the SBA application is a necessary step to being considered for other forms of disaster assistance.

SBA low-interest disaster loans are available to qualified renters, homeowners, landlords, business owners, and non-profit organizations that suffered damage or loss due to the disaster. Businesses and non-profit organizations may apply for losses not fully covered by insurance. Interest rates can be as low as 2.875 percent for homeowners and renters and 2.750 percent for businesses. Loan terms on all loans can be up to 30 years. Actual loan amounts and terms are set by the SBA and based on each applicant’s financial condition.

The SBA also makes mitigation funds available to many disaster victims who have already been approved for a low-interest disaster loan. SBA funds are designed to help borrowers by offering an increase of up to 20 percent of their approved physical loan amount to help pay for mitigation measures.

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On March 1, 2003, FEMA became part of the U.S. Department of Homeland Security. FEMA's continuing mission within the new department is to lead the effort to prepare the nation for all hazards and effectively manage federal response and recovery efforts following any national incident. FEMA also initiates proactive mitigation activities, trains first responders and manages the National Flood Insurance Program and the U.S. Fire Administration.

